

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:)	Chapter 11
)	
YELLOW CORPORATION, <i>et al.</i> , ¹)	Case No. 23-11069 (CTG)
)	
)	(Jointly Administered)
Debtors.)	

Objection Deadline: January 3, 2024 at 4:00 p.m.
Hearing Date: January 22, 2024 at 10:00 a.m.

**FIRST QUARTERLY APPLICATION FOR COMPENSATION
AND REIMBURSEMENT OF EXPENSES OF
PACHULSKI STANG ZIEHL & JONES LLP, AS CO-COUNSEL
FOR THE DEBTORS AND DEBTORS IN POSSESSION, FOR
THE PERIOD FROM AUGUST 6, 2023 THROUGH OCTOBER 31, 2023**

Name of Applicant:	Pachulski Stang Ziehl & Jones LLP
Authorized to Provide Professional Services to:	Debtors and Debtors in Possession
Date of Retention:	Effective as of August 6, 2023 by order signed September 19, 2023
Period for which Compensation and Reimbursement is Sought:	August 6, 2023 through October 31, 2023 ²
Amount of Compensation Sought as Actual, Reasonable and Necessary:	\$508,225.00
Amount of Expense Reimbursement Sought as Actual, Reasonable and Necessary:	\$ 73,854.10
Rates are Higher than those Approved or Disclosed at Retention? Yes___ No___ If yes, Total Compensation Sought Using Rates Disclosed in Retention Application:	No
Compensation Sought in this Application Already Paid Pursuant to a Monthly Compensation Order but not yet Allowed:	\$0.00

¹ A complete list of each of the Debtors in these chapter 11 cases may be obtained on the website of the Debtors' claims and noticing agent at <https://dm.epiq11.com/YellowCorporation>. The location of the Debtors' principal place of business and the Debtors' service address in these chapter 11 cases is: 11500 Outlook Street, Suite 400, Overland Park, Kansas 66211.

² The applicant reserves the right to include any time expended in the time period indicated above in future application(s) if it is not included herein.

Expenses Sought in this Application Already Paid Pursuant to a Monthly Compensation Order but not yet Allowed:	\$0.00
Number of Professionals Included in this Application:	12
If Applicable, Difference Between Fees Budgeted and Compensation Sought for this Period:	(\$20,825.00)
Number of Professionals Billing Fewer than 15 Hours to the Case During this Period:	7

This is a: ☐ monthly ☒ interim ☐ final application.

The total time expended for fee application preparation is approximately 3.0 hours and the corresponding compensation requested is approximately \$1,500.00.

PRIOR APPLICATIONS FILED

Date Filed	Period Covered	Requested Fees	Requested Expenses	Approved Fees	Approved Expenses
11/20/23	08/06/23 – 08/31/23	\$248,845.50	\$59,133.50	Pending	Pending
11/20/23	09/01/23 – 09/30/23	\$163,001.50	\$11,959.88	Pending	Pending
12/11/23	10/01/23 – 10/31/23	\$ 96,378.00	\$ 2,760.72	Pending	Pending

PSZ&J PROFESSIONALS

Name of Professional Individual	Position of the Applicant, Number of Years in that Position, Prior Relevant Experience, Year of Obtaining License to Practice, Area of Expertise	Hourly Billing Rate (including Changes)	Total Hours Billed	Total Compensation
David M. Bertenthal	Partner 1999; Member of CA Bar since 1993	\$1,450.00	0.20	\$ 290.00
Laura Davis Jones	Partner 2000; Joined Firm 2000; Member of DE Bar since 1986	\$1,745.00	90.80	\$158,446.00
Timothy P. Cairns	Partner 2012; Member of DE Bar 2002-2014; 2017-Present	\$1,125.00	3.80	\$ 4,275.00
Peter J. Keane	Of Counsel 2018; Member of PA Bar since 2008; Member of DE & NH Bars since 2010	\$1,025.00	272.80	\$279,620.00
Edward A. Corma	Associate 2022; Member of NJ Bar since 2018; Member of PA Bar since 2019; Member of DE Bar since 2020	\$ 725.00	25.10	\$ 18,197.50
Cheryl A. Knotts	Paralegal	\$ 495.00	0.80	\$ 396.00
Ian Densmore	Paralegal	\$ 545.00	0.10	\$ 54.50
Karina K. Yee	Paralegal	\$ 545.00	2.10	\$ 1,144.50
Melissa N. Flores	Paralegal	\$ 545.00	0.50	\$ 272.50
Patricia E. Cuniff	Paralegal	\$ 545.00	55.70	\$ 30,356.50
Andrea R. Paul	Case Management Assistant	\$ 425.00	32.40	\$ 13,770.00
Charles J. Bouzoukis	Case Management Assistant	\$ 425.00	3.30	\$ 1,402.50

Grand Total: \$508,225.00
Total Hours: 487.60
Blended Rate: \$1,042.30

COMPENSATION BY CATEGORY

Project Categories	Total Hours	Total Fees
Asset Analysis and Recovery	0.30	\$ 307.50
Asset Disposition	43.10	\$ 48,917.50
Bankruptcy Litigation	240.60	\$259,990.00
Case Administration	40.60	\$ 19,121.00
Claims Administration and Objections	24.40	\$ 34,440.00
Other Professional Compensation	4.70	\$ 4,193.50
Employee Benefit/Pensions and KEIP/KERP	6.00	\$ 8,454.00
Contract and Lease Matters	11.80	\$ 11,153.00
Financial Filings	22.30	\$ 24,657.50
Financing/Cash Collateral/Cash Management	27.50	\$ 31,235.50
Insurance Coverage	0.50	\$ 272.50
Meeting of and Communication with Creditors	8.70	\$ 11,149.50
Operations	2.40	\$ 1,806.00
Plan and Disclosure Statement	0.80	\$ 820.00
PSZJ Retention	11.30	\$ 10,118.50
Other Professional Retention	25.90	\$ 25,269.50
Stay Litigation	16.30	\$ 16,101.50
Tax Issues	0.40	\$ 218.00

EXPENSE SUMMARY

Expense Category	Service Provider¹ (if applicable)	Total Expenses
Bloomberg		\$ 40.00
Conference Call	AT&T Conference Call	\$ 3.27
Delivery/Courier Service	Advita	\$ 910.26
Court Fees	USBC	\$56,403.00
Lexis/Nexis – Legal Research		\$ 473.85
Pacer - Court Research		\$ 1,828.06
Postage	US Mail	\$ 0.63
Reproduction Expense		\$ 2,619.68
Reproduction/ Scan Copy		\$10,640.10
Transcript	Reliable Companies	\$ 935.25

¹ PSZ&J may use one or more service providers. The service providers identified herein below are the primary service providers for the categories described.

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FOR THE DEBTORS AND DEBTORS IN POSSESSION, FOR
THE PERIOD FROM AUGUST 6, 2023 THROUGH OCTOBER 31, 2023**

Pursuant to sections 330 and 331 of Title 11 of the United States Code (the “Bankruptcy Code”), Rule 2016 of the Federal Rules of Bankruptcy Procedure (collectively, the “Bankruptcy Rules”), and the Court’s “Order (I) Establishing Procedures for Interim Compensation and Reimbursement of Expenses for Retained Professionals and (II) Granting Related Relief,” signed on or about September 13, 2023 (the “Administrative Order”), Pachulski Stang Ziehl & Jones LLP (“PSZ&J” or the “Firm”), co-counsel for the debtors and debtors in possession (“Debtors”), hereby submits its First Quarterly Application for Compensation and for Reimbursement of Expenses for the Period from August 6, 2023 through October 31, 2023 (the “Application”).

¹ A complete list of each of the Debtors in these chapter 11 cases may be obtained on the website of the Debtors’ claims and noticing agent at <https://dm.epiq11.com/YellowCorporation>. The location of the Debtors’ principal place of business and the Debtors’ service address in these chapter 11 cases is: 11500 Outlook Street, Suite 400, Overland Park, Kansas 66211.

By this Application PSZ&J seeks an interim allowance of compensation in the amount of \$508,225.00 and actual and necessary expenses in the amount of \$73,854.10 for a total allowance of \$582,079.10 and payment of the unpaid amount of such fees and expenses for the period August 6, 2023 through October 31, 2023 (the “Fee Period”). In support of this Application, PSZ&J respectfully represents as follows:

Background

1. On August 6, 2023, the Debtors commenced these cases by filing voluntary petitions for relief under chapter 11 of the Bankruptcy Code. The Debtors continue in possession of their property and continue to operate and manage their businesses as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No trustee or examiner has been appointed in the Debtors’ chapter 11 cases.

2. The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2).

3. On or about September 13, 2023, the Court signed the Administrative Order, authorizing certain professionals (“Professionals”) to submit monthly applications for interim compensation and reimbursement for expenses, pursuant to the procedures specified therein. The Administrative Order provides, among other things, that a Professional may submit monthly fee applications. If no objections are made within twenty-one (21) days after service of the monthly fee application the Debtors are authorized to pay the Professional eighty percent (80%) of the requested fees and one hundred percent (100%) of the requested expenses. Beginning with the period ending on October 31, 2023 and at three-month intervals thereafter,

each of the Professionals may file and serve an interim fee application for compensation and reimbursement of expenses sought in its monthly fee applications for that period. All fees and expenses paid are on an interim basis until final allowance by the Court.

4. The retention of PSZ&J, as co-counsel for the Debtors, was approved effective as of August 6, 2023 by this Court's "Order Authorizing the Employment and Retention of Pachulski Stang Ziehl & Jones LLP as Co-Counsel for the Debtors Effective as of the Petition Date," signed on or about September 19, 2023 (the "Retention Order"). The Retention Order authorized PSZ&J to be compensated on an hourly basis and to be reimbursed for actual and necessary out-of-pocket expenses.

5. Attorneys retained pursuant to sections 327 or 1103 of the Bankruptcy Code must comply with certain requirements of the United States Trustee's Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed under 11 U.S.C. §330 by Attorneys in Larger Chapter 11 Cases (the "Revised UST Guidelines"). The Office of the United States Trustee has promulgated forms to aid in compliance with the Revised UST Guidelines. Charts and tables based on such forms are attached hereto as exhibits and filled out with data to the extent relevant to these cases: Exhibit "A", Customary and Comparable Compensation Disclosures with Fee Applications; Exhibit "B", Summary of Timekeepers Included in this Fee Application, Exhibit "C-1", Budget; Exhibit "C-2", Staffing Plan; Exhibit "D-1", Summary of Compensation Requested by Project Category; Exhibit "D-2", Summary of Expense Reimbursement Requested by Category; and Exhibit "E", Summary Cover Sheet of Fee Application.

**PSZ&J's APPLICATION FOR COMPENSATION AND
FOR REIMBURSEMENT OF EXPENSES**

Compensation Paid and Its Source

6. The monthly fee applications (the “Monthly Fee Applications”) for the periods August 6, 2023 through October 31, 2023 of PSZ&J have been filed and served pursuant to the Administrative Order.

7. On November 20, 2023, PSZ&J filed its First Monthly Application for Compensation and Reimbursement of Expenses of Pachulski Stang Ziehl & Jones LLP, as Co-Counsel for the Debtors, for the Period from August 6, 2023 through August 31, 2023 (the “First Monthly Fee Application”) requesting \$248,845.50 in fees and \$59,133.50 in expenses. The First Monthly Fee Application is pending. A true and correct copy of the First Monthly Fee Application is attached hereto as Exhibit F.

8. On November 20, 2023, PSZ&J filed its Second Monthly Application for Compensation and Reimbursement of Expenses of Pachulski Stang Ziehl & Jones LLP, as Co-Counsel for the Debtors, for the Period from September 1, 2023 through September 30, 2023 (the “Second Monthly Fee Application”) requesting \$163,001.50 in fees and \$11,959.88 in expenses. The Second Monthly Fee Application is pending. A true and correct copy of the Second Monthly Fee Application is attached hereto as Exhibit G.

9. On December 11, 2023, PSZ&J filed its Third Monthly Application for Compensation and Reimbursement of Expenses of Pachulski Stang Ziehl & Jones LLP, as Co-Counsel for the Debtors, for the Period from October 1, 2023 through October 31, 2023 (the “Third Monthly Fee Application”) requesting \$96,378.00 in fees and \$2,760.72 in expenses. The

Third Monthly Fee Application is pending. A true and correct copy of the Third Monthly Fee Application is attached hereto as Exhibit H.

10. The Monthly Fee Applications covered by this Application contain detailed daily time logs describing the actual and necessary services provided by PSZ&J during the periods covered by such applications as well as other detailed information required to be included in fee applications.

Requested Relief

11. By this Application, PSZ&J requests that the Court approve payment of one-hundred percent (100%) of the fees and expenses incurred by PSZ&J during the Interim Period of August 6, 2023 through October 31, 2023.

12. At all relevant times, PSZ&J has not represented any party having an interest adverse to these cases.

13. All services for which PSZ&J requests compensation were performed for or on behalf of the Debtors.

14. PSZ&J, and any partner, of counsel, or associate thereof, have received no payment and no promises for payment from any source other than from the Debtors for services rendered or to be rendered in any capacity whatsoever in connection with the matters covered by this Application. There is no agreement or understanding between PSZ&J and any other person other than among the partners, of counsel, or associates of PSZ&J for the sharing of compensation to be received for services rendered in these cases. PSZ&J has received payments from the Debtors during the year prior to the Petition Date in the amount of \$191,712.00, in

connection with the preparation of initial documents and its prepetition representation of the Debtors. Upon final reconciliation of the amount actually expended prepetition, any balance remaining from the prepetition payments to PSZ&J was credited to the Debtors and utilized as PSZ&J's retainer to apply to postpetition fees and expenses pursuant to the compensation procedures approved by this Court in accordance with the Bankruptcy Code.

15. The professional services and related expenses for which PSZ&J requests interim allowance of compensation and reimbursement of expenses were rendered and incurred in connection with this case in the discharge of PSZ&J's professional responsibilities as attorneys for the Debtors in these chapter 11 cases. PSZ&J's services have been necessary and beneficial to the Debtors and their estates, the Committee, creditors and other parties in interest.

16. In accordance with the factors enumerated in section 330 of the Bankruptcy Code, it is respectfully submitted that the amount requested by PSZ&J is fair and reasonable given (a) the complexity of the case, (b) the time expended, (c) the nature and extent of the services rendered, (d) the value of such services, and (e) the costs of comparable services other than in a case under the Bankruptcy Code. Moreover, PSZ&J has reviewed the requirements of Del. Bankr. LR 2016-2 and the Administrative Order and believes that this Application complies with such Rule and Order.

Statement from PSZJ

17. Pursuant to the Appendix B Guidelines for Reviewing Application for Compensation and Reimbursement of Expenses Filed under the United States Code by Attorneys

in Larger Chapter 11 Cases, PSZ&J responds to the following questions regarding the

Application:

Question	Yes	No	Additional Explanation or Clarification
Did you agree to any variations from, or alternatives to, your standard or customary billing rates, fees or terms for services pertaining to this engagement that were provided during the application period? If so, please explain.		NO	
If the fees sought in this fee application as compared to the fees budgeted for the time period covered by this fee application higher by 10% or more, did you discuss the reasons for the variation with the client?		N/A	
Have any of the professionals included in this fee application varied their hourly rate based on the geographic location of the bankruptcy case?		NO	
Does the fee application include time or fees related to reviewing or revising time records or preparing, reviewing, or revising invoices?		NO	
Does this fee application include time or fees for reviewing time records to redact any privileged or other confidential information? If so, please quantify by hours and fees.		NO	

<p>If the fee application includes any rate increases since retention in these Cases:</p> <p>i. Did your client review and approve those rate increases in advance?</p> <p>ii. Did your client agree when retaining the law firm to accept all future rate increases? If not, did you inform your client that they need not agree to modified rates or terms in order to have you continue the representation, consistent with ABA Formal Ethics Opinion 11-458?</p>		N/A	
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WHEREFORE, PSZ&J respectfully requests that, for the period August 6, 2023 through October 31, 2023, an interim allowance be made to PSZ&J for compensation in the amount of \$508,225.00 and actual and necessary expenses in the amount of \$73,854.10 for a total allowance of \$582,079.10, that the Debtors be authorized and directed to pay to PSZ&J the outstanding amount of such sums; and for such other and further relief as this Court may deem just and proper.

Dated: December 13, 2023

PACHULSKI STANG ZIEHL & JONES LLP

/s/ Laura Davis Jones

Laura Davis Jones (DE Bar No. 2436)

Timothy P. Cairns (DE Bar No. 4228)

Peter J. Keane (DE Bar No. 5503)

Edward Corma (DE Bar No. 6718)

919 North Market Street, 17th Floor

Wilmington, DE 19801

Telephone: (302) 652-4100

Facsimile: (302) 652-4400

Email: ljones@pszjlaw.com

tcairns@pszjlaw.com

pkeane@pszjlaw.com

ecorma@pszjlaw.com

Co-Counsel for the Debtors and Debtors in Possession

DECLARATION

STATE OF DELAWARE :
 :
COUNTY OF NEW CASTLE :

Laura Davis Jones, after being duly sworn according to law, deposes and says:

a) I am a partner with the applicant law firm Pachulski Stang Ziehl & Jones LLP, and have been admitted to appear before this Court.

b) I am familiar with the work performed on behalf of the debtors and debtors in possession by the lawyers and paraprofessionals of PSZ&J.

c) I have reviewed the foregoing Application and the facts set forth therein are true and correct to the best of my knowledge, information and belief. Moreover, I have reviewed Del. Bankr. LR 2016-2 and the Administrative Order signed on or about September 13, 2023, and submit that the Application substantially complies with such Rule and Order.

/s/ Laura Davis Jones
Laura Davis Jones